

Appendix

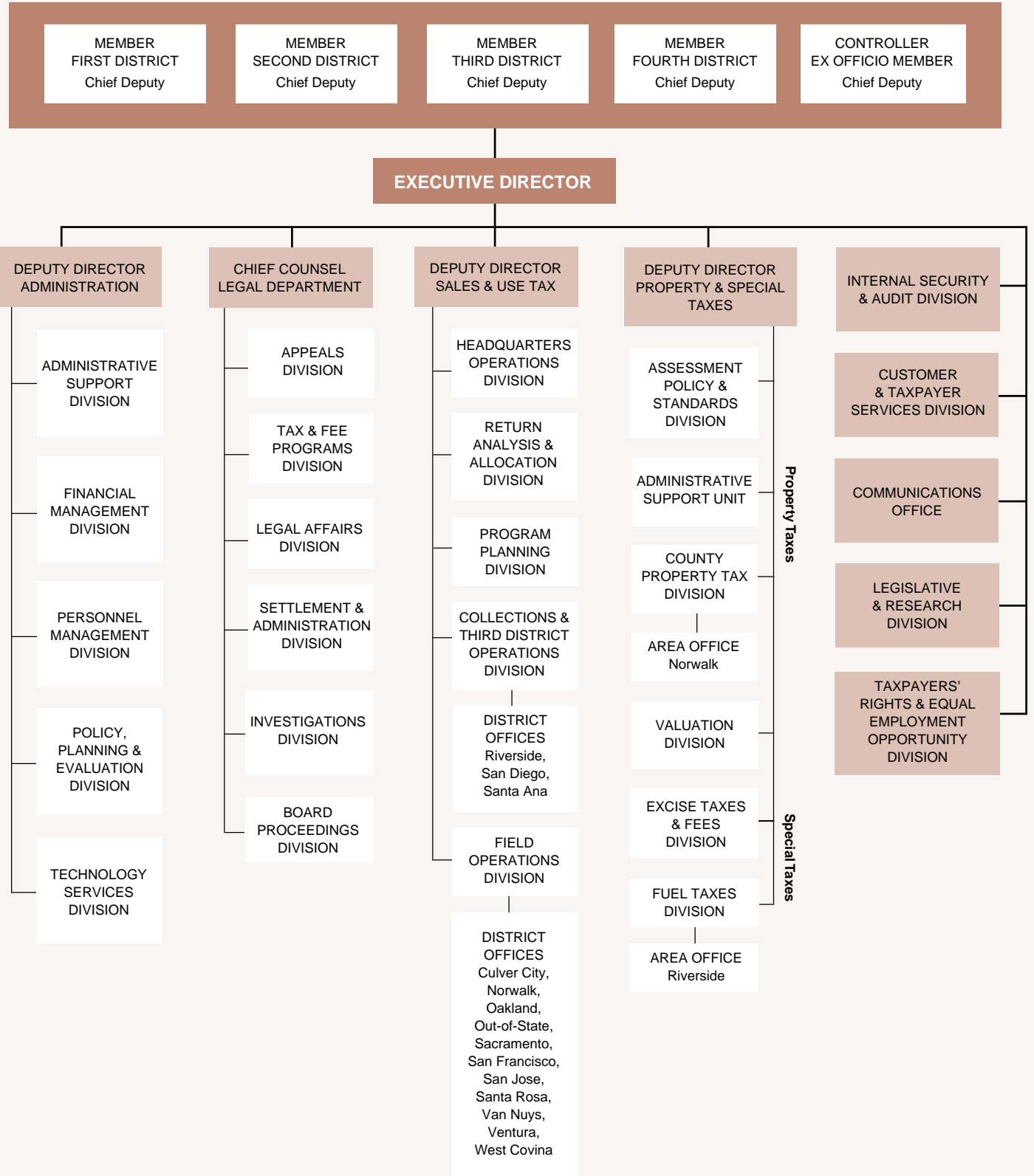
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History of the State Board of Equalization and Board-Administered Taxes

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| <p>1870 Legislature created State Board of Equalization, consisting of the state controller and two gubernatorial appointees, to deal with property assessment abuses among counties.</p> <p>1879 State Board of Equalization established under the state Constitution to regulate county assessment practices, equalize county assessment ratios, and assess properties of interconnected railroads. Board consisted of four members elected by district and the state controller.*</p> <p>1911 Constitutional amendment provided for Board assessment of corporation franchise taxes, bank share tax, gross receipts taxes on public service corporations (utilities), and insurance taxes.</p> <p>1923 Motor vehicle fuel (gasoline) tax enacted.</p> <p>1929 Bank and corporation franchise tax enacted. Board would no longer assess the taxes but was designated as the administrative appellate agency.</p> <p>1933 Retail sales tax, motor vehicle transportation license tax, and alcoholic beverage tax enacted. Riley-Stewart Plan enacted assessment of designated public utility properties for local tax purposes.</p> <p>1935 Use tax enacted to provide further revenue and protect California retailers from tax-free competition from out-of-state sellers. Personal income tax enacted with the Board as the administrative appellate agency.</p> <p>1937 Use fuel tax on diesel fuel enacted as a supplement to the gasoline tax. Private railroad car tax enacted.</p> <p>1951 Administration of Itinerant Merchants Act transferred by legislation from the Public Utilities Commission to the Board. This law imposed an annual fee on those who hauled produce across county lines.</p> <p>1955 Constitutional Amendment transferred licensing and control of alcoholic beverages from the Board to a new Alcoholic Beverage Control Department and the appellate function to the Alcoholic Beverage Control Appeals Board. The Board retained taxing functions.</p> <p>1955 Board-administered local sales and use taxes program initiated. All state cities and counties included by 1962.</p> <p>1959 Cigarette tax enacted.</p> <p>1961 Itinerant Merchants law repealed.</p> <p>1963 Subscription television tax enacted.</p> <p>1964 Subscription television tax repealed by initiative.</p> | <p>1966 Property Tax Assessment Reform Law enacted. Mandated certification and training of appraisers, surveys of county assessors' offices, and development of property tax rules and regulations. Added an appeal procedure at the staff level to the sample property appraisal process.</p> <p>1967 Legislation increased the cigarette tax and provided that 30 percent of the receipts be distributed to cities and counties based on local sales tax allocations.</p> <p>1969 Aircraft jet fuel tax enacted.</p> <p>1970 State-administered transit district sales tax program enacted—Bay Area Rapid Transit District and Southern California Rapid Transit District.</p> <p>1973 Motor vehicle transportation license tax repealed.</p> <p>1974 Waxman-Dymally Campaign Disclosure Legislation enacted—provided for audit of campaign statements. Terminated late in 1975 with passage of Proposition 9, Political Reform Act, in November 1974.</p> <p>1975 Electrical energy surcharge enacted.</p> <p>1976 Timber yield tax and Emergency Telephone Users Surcharge Law enacted.</p> <p>1977 Litter Control, Recycling, and Resource Recovery Assessment Act enacted.</p> <p>1978 Proposition 13 enacted. Proposition 8 amended Article XIII A to allow reduction of the full cash value base of real property to reflect substantial damage, destruction, or other factors that cause the value to decline.</p> <p>1979 Litter Control, Recycling, and Resources Recovery Act amended, ending the assessment and allocating funding from the state's general fund.</p> <p>1982 Administration of two hazardous substances taxes assigned to the Board by legislation. Both are imposed on persons who generate hazardous waste and dispose of it in California.</p> <p>1984 The Moore Universal Telephone Service Act imposed a tax on certain intrastate telecommunications to subsidize basic telephone service for those who cannot afford it. The Public Utilities Commission determined tax rates, eligibility, and service systems while the Board collected the tax.</p> <p>1987 The Moore Universal Telephone Service Act repealed and reenacted; administration transferred to the Public Utilities Commission.</p> <p>1988 Proposition 99 increased the tax on cigarettes and created a tobacco products tax.</p> <p>1989 Underground storage tank maintenance fee created.</p> <p>1990 Motor vehicle fuel license tax increased five cents per gallon in August due to passage of Proposition 111 in June. Annual hazardous substance tax expired December 31.</p> |
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*The Board in its present form was established by article XIII, section 9 of the Constitution of 1879. "As originally ratified, (it) provided that the board should consist of one member from each congressional district in the State, to be elected by the qualified electors of their respective districts at the general election to be held in 1879, whose term of office, after those first elected, should be four years, and that the Controller should be ex officio a member of the board."

- 1991 New environmental fees created: tire recycling; oil spill response, prevention, and maintenance; and oil spill prevention and administration. Sales tax exemption related to certain food products repealed in July 1991, resulting in so-called "Snack Foods" tax. Also repealed were exemptions applicable to bottled water and newspapers and periodicals.
- 1992 California Oil Recycling Enhancement Act enacted. "Snack Tax" and tax on certain periodical subscriptions overturned by voters. Collections ended in February for San Diego County Regional Justice Facility Tax. Monterey County Public Repair and Improvement Authority tax found unconstitutional in September; collections ended September 30.
- 1993 Childhood lead poisoning prevention fee and hazardous spill prevention fee took effect. Voters approved a constitutional amendment making permanent an additional sales and use tax to fund local public safety programs.
- 1994 San Diego County Regional Justice Facility Tax and Monterey Public Repair and Improvement Authority Tax refund programs began. San Diego County sales and use tax rollback/credit program began.
- 1995 Diesel Fuel Tax Law became operative July 1. Use Fuel Tax Law modified to delete diesel fuel. Propane safety inspection and enforcement surcharge took effect. Monterey County sales and use tax rollback/credit programs began. Santa Clara County Traffic Authority Tax expired March 31. New Santa Clara County Local Transportation Authority found unconstitutional prior to implementation. Hazardous spill prevention fee expired at end of year.
- 1996 California implemented International Fuel Tax Agreement. Fresno Metropolitan Projects Authority Tax declared unconstitutional; direct refund program began. Sales and use tax rate rollbacks ended in San Diego and Monterey counties. Legislation modified method of allocating local tax on automobile leases.
- 1997 Fresno Metropolitan Projects Authority Tax refund program ended March 31; California Supreme Court upheld childhood lead poisoning prevention fee; Santa Cruz County Library Tax and Santa Clara County Transactions and Use Tax went into effect April 1; Santa Cruz County Earthquake Recovery Bond Tax, Tulare County Transactions and Use Tax, and San Benito County General Fund Augmentation expired; propane safety inspection and enforcement surcharge transferred to Public Utilities Commission January 1; oil recycling fee transferred to Integrated Waste Management Board July 1.
- 1998 Napa County Flood Protection Authority Tax went into effect on July 1; Solano County Public Library District Tax, Nevada County Public Library District Tax, and Town of Truckee Road Maintenance District went into effect on October 1. San Benito County Council of Governments tax expired December 31. Legislation authorized counties to levy transactions and use taxes for local library programs; extended the sunset date of the tire recycling fee; and changed local sales tax allocation methods for pooled revenues and sales of jet fuel. Proposition 10 enacted.
- 1999 Proposition 10, which imposed new cigarette and tobacco products taxes, went into effect January 1. City of Placerville Public Safety Tax and Fresno County Public Library Tax went into effect April 1.
- 2000 The ballast water management fee went into effect January 1. Four transactions and use taxes went into effect: the City of Clovis Public Safety Transaction and Use Tax, on April 1; the Mariposa County Healthcare Authority district tax and the City of Woodland General Revenue Transactions and Use Tax on July 1; and the Avalon Municipal Hospital and Clinic Transactions and Use Tax on October 1.
- 2001 On January 1, the state sales and use tax rate dropped by $\frac{1}{4}$ percent and the natural gas surcharge went into effect. The motor vehicle fuel license tax was repealed effective December 31. Legislation added a number of sales and use tax exemptions for the agricultural industry.
- 2002 On January 1, the state sales and use tax rate increased by $\frac{1}{4}$ percent and the motor vehicle fuel tax went into effect. The Alameda County Transportation Authority Tax expired on March 31, 2002, and was immediately replaced by the Alameda County Transportation Improvement Authority Tax.
- 2003 Three district taxes went into effect: the City of Sebastopol Transactions and Use Tax and City of West Sacramento Transactions and Use Tax (April 1) and the City of Willits Transactions and Use Tax (October 1). Legislation was enacted to increase the combined rate amount of transaction and use tax that may be levied within a county and to authorize cities to enact transactions and use taxes without special enabling legislation, beginning in 2004.
- 2004 On January 1, the Ballast Water Management Fee was renamed the Marine Invasive Species Fee and extended to January 1, 2010. The Water Rights Fee went into effect January 1, requiring the Board to assess and collect various fees from owners of water rights on behalf of the State Water Resources Control Board.



Publications of the Board of Equalization

Publications Available Free of Charge

Number	Title
General	
21	State Board of Equalization
28	Business Tax Information for City and County Officials
41	Taxes and Fees Administered by the Board of Equalization
51	Guide to Board of Equalization Services ¹
54	Tax Collection Procedures
56	Offers in Compromise
58A	How to Inspect and Correct Your Records
70	The California Taxpayers' Bill of Rights ¹
72	Summary of Constitutional and Statutory Authorities
Audits and Appeals	
17	Appeals Procedures: Sales and Use Taxes and Special Taxes
30	Residential Property Assessment Appeals
53	Guide to the Managed Audit Program
76	Audits ²
81	Franchise and Personal Income Tax Appeals
117	Filing a Claim for Refund
Property Taxes	
8	Private Railroad Car Tax Law
29	California Property Tax: An Overview
30	Residential Property Assessment Appeals
43	Timber Yield Tax Law
48	Property Tax Exemptions for Religious Organizations <i>Instructions for Reporting State-Assessed Property:</i>
67EG	Electric Generation Companies
67GE	Gas & Electric Companies
67PL	Intercounty Pipelines and Watercourses
67LE	Telephone Companies—Local Exchange Carriers
67RC	Telephone Companies—Radio Common Carriers
67RF	Railcar Maintenance Facilities
67RR	Railroad Companies
67TC	Telecommunications Carriers
67TR	Telecommunications Resellers
67WT	Wireless Carriers
86	California Timber Yield Tax
87	Guide to the California Timber Yield Tax
Sales and Use Taxes	
Laws, Regulations, and Tax Rates	
1	Sales and Use Tax Law
2	Uniform Local Sales & Use Tax Law and Transactions & Use Tax Law
71	California City and County Sales & Use Tax Rates ³
Registration Requirements	
33	Making Sales in California ⁴
73	Your California Seller's Permit ⁵
74	Closing Out Your Seller's Permit ³

Number	Title
77	Do You Need to Register in California? <i>For Out-of-State Sellers</i>
107	Do You Need a California Seller's Permit? ³
111	Operators of Swap Meets, Flea Markets, and Special Events ³
Tax Payments	
75	Interest and Penalties
80	Electronic Funds Transfer: Information Guide
82	Prepaid Sales Tax on Sales of Fuel
116	Sales and Use Tax Records
Sales and Purchases	
26	Tax Information Bulletin Index
32	Tax Tips for Sales to Purchasers from Mexico (Sales for Resale and Sales for Export) ³
42	Resale Certificate Tips ³
44	Tax Tips for District Taxes
46	Tax Tips for Leasing of Tangible Personal Property in California
53A	Consumer Sales and Use Tax Questions
53B	Sales and Use Tax Questions for the Business Person
57	Innocent Spouse Relief from Sales and Use Tax
61	Sales and Use Taxes: Exemptions and Exclusions
105	District Taxes and Delivered Sales ³
100	Shipping and Delivery Charges ³
101	Sales Delivered Outside California ³
102	Sales to the US Government ³
103	Sales for Resale ³
104	Sales to Residents of Other Countries ³
106	Gift Wrapping Charges
108	When Is Labor Taxable? ³
109	Are Your Internet Sales Taxable? ³
112	Purchases from Out-of-State Vendors ³
113	Coupons and Sales Tax ³
114	Consignment Sales ³
115	Applying Sales Tax to Tips ³
118	Selling Food in Vending Machines
119	Sales Tax and Warranties
Use Tax	
52	Vehicles and Vessels: How to Request an Exemption from California Use Tax
79	Documented Vessels and California Tax
79A	Aircraft and California Tax
79B	California Use Tax
109	Are Your Internet Sales Taxable? ³
110	California Use Tax Basics ³
112	Purchases from Out-of-State Vendors ³
Specific Industries	
9	Tax Tips for Construction and Building Contractors
18	Tax Tips for Nonprofit Organizations
22	Tax Tips for the Dining and Beverage Industry ⁶
24	Tax Tips for Liquor Stores

¹ Available in Spanish (51-S, 70-S), Chinese (51-C, 70-C), Korean (51-K, 70-K), and Vietnamese (51-V, 70-V)

² Available in Spanish (76-S), Korean (76-K), and Farsi (76-F)

³ Available in Spanish (32-S, 42-S, 71-S, 74-S, 100-S, 101-S, 102-S, 103-S, 104-S, 105-S, 107-S, 108-S, 109-S, 110-S, 111-S, 112-S, 113-S, 114-S, and 115-S)

⁴ Available only in Arabic (33-AC), Armenian (33-AN), German (33-GN), Hindi (33-HI), Hmong (33-HG), Japanese (33-JE), Portuguese (33-PE), Pilipino (33-PO), and Punjabi (33-PI)

⁵ Available in Spanish (73-S), Chinese (73-C), Korean (73-K), Vietnamese (73-V), and Farsi (73-F)

⁶ Available in Spanish (22-S), and Korean (22-K)

Publications of the Board of Equalization (Continued)

Number	Title
Specific Industries (Continued)	
25	Tax Tips for Auto Repair Garages and Service Stations ¹
27	Tax Tips for Drug Stores
31	Tax Tips for Grocery Stores ²
34	Tax Tips for Motor Vehicle Dealers (New & Used)
35	Tax Tips for Interior Designers and Decorators
36	Tax Tips for Veterinarians
40	Tax Tips for the Watercraft Industry
45	Tax Tips for Hospitals
47	Tax Tips for Mobilehomes and Factory-Built Housing
62	Tax Tips for Locksmiths
64	Tax Tips for Jewelry Stores
66	Tax Tips for the Agricultural Industry
68	Tax Tips for Photographers, Photo Finishers, and Film Processing Laboratories
Special Taxes and Fees	
Fuel Taxes	
3	Use Fuel Tax Law
6	Motor Vehicle Fuel License Tax Law
6A	Motor Vehicle Fuel Tax Law
12	California Use Fuel Tax: A Guide for Vendors and Users
19	Diesel Fuel Tax Law
49	Underground Storage Tank Maintenance Fee Law
50	Guide to the International Fuel Tax Agreement ¹
50A	Introduction to the International Fuel Tax Agreement ¹
59	Local Motor Vehicle Fuel Taxation Law
84	Use Fuel Permit Requirements
88	Underground Storage Tank Fee
Excise Taxes	
4	California Cigarette and Tobacco Products Tax Law
5	Alcoholic Beverage Tax Law
7	Tax on Insurers Law
10	Energy Resources Surcharge Law
11	Energy Resources Surcharge Regulations
15	Cigarette and Tobacco Products Tax Regulations
16	Alcoholic Beverage Tax Regulations and Instructions
20	California Emergency Telephone Users Surcharge Law

Publications Available at Cost

Business Taxes Law Guide (print or CD-ROM)
 Property Taxes Law Guide (print or CD-ROM)
 Business Taxes Audit Manual
 Compliance Policy and Procedures Manual
 Assessors Handbook

Internet: www.boe.ca.gov

Certain publications are available on the Board's Internet website. You may also use our online ordering system or download order forms for publications and regulations.

Number	Title
39	Emergency Telephone Users Surcharge Regulations
63	Cigarette Distributor Licensing and Tax Stamp Guide
69	California Integrated Waste Management Fee Law
78	Sales of Cigarettes and Tobacco Products in California ¹
83	Tire Recycling Fee Law
91	Tire Recycling Fee
92	Alcoholic Beverage Tax
93	Cigarette and Tobacco Products Tax
Environmental Fees	
60	Hazardous Substances Tax Law
90	Environmental Fee
94	Occupational Lead Poisoning Prevention Fee

Individual Copies

Laws, Rules, and Regulations

Property Tax Rules
 Sales and Use Tax Regulations
 Uniform Local Sales and Use Tax Regulations
 Transactions (Sales) and Use Tax Regulations
 Motor Vehicle Fuel License Tax Regulations
 Use Fuel Tax Regulations
 Alcoholic Beverage Tax Regulations
 Cigarette and Tobacco Products Tax Regulations
 Energy Resources Surcharge Regulations
 Emergency Telephone Users Surcharge Regulations
 Hearing Procedures of the State Board of Equalization
 State of California Sales Tax Reimbursement Schedules
 Annual Calendar of Board Meetings

Periodicals

Annual Report of the State Board of Equalization
 Taxpayers' Rights Advocate Annual Reports
 State Assessee Newsletter (published annually)
 Taxable Sales in California (published five times a year)
 Tax Information Bulletin (published quarterly)
 Environmental Fees Newsletter (published annually)
 Excise Taxes Newsletter (published annually)
 Fuel Taxes Newsletter (published semiannually)

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¹ Available in Spanish (25-S, 50-S, 50A-S, 78-S)

² Available in Spanish (31-S), Chinese (31-C), Korean (31-K), and Vietnamese (31-V)

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